

STATE CAPITOL RESTORATION BUDGET

HCR 47 (2006 session) restated the Legislature's support for the restoration, preservation and maintenance of the State Capitol Building. It authorizes the Idaho Capitol Commission to modify its Master Plan for the project to include the construction of two-story garden level atrium additions at the east and west ends of the building designed to accommodate large, state-of-the-art public hearing rooms, and adjacent committee and staff office space. The resolution also authorizes the Department of Administration to enter into an agreement with the Idaho State Building Authority to provide financing for this project. The project is to begin following the 2007 legislative session and be completed prior to the start of the 2010 session.

HB 386 (2005 session) permanently increased the cigarette tax from 28 to 57 cents/pack. Revenue generated by the increase goes into the Economic Recovery Reserve Fund during FY 2006. Starting in FY 2007 the revenue generated by the increase (approximately \$30 million/year) will go to the Permanent Building Fund and is dedicated to fund restoration of the State Capitol Building. This restoration is expected to cost \$74.0 million. The atriums added in HCR 47 have an estimated cost of \$39.5 million. Once the project has been paid for, revenue from the additional 29 cent/pack cigarette will once again go into the Economic Recovery Reserve Fund.

The table below reflects Legislative Permanent Building Fund revenue and expenditure action taken during the 2006 session on this project. The funding, contained in SB 1491, is for design work on the Idaho Capitol Building, and to begin preparing space in the Borah Building, Ada County Courthouse, State Library and Joe R. Williams Building to house Statehouse tenants who will be relocated during the 30 month Capitol restoration. This includes tenant moving costs, and moving and storage of all materials currently located in the Capitol. Any unspent FY 2006 appropriations are reappropriated into FY 2007. Capitol restoration and atrium construction costs are not reflected. These costs will probably not begin until FY 2008.

Permanent Building Fund Dedicated to the Capitol Restoration Project		
Revenues:	FY 2006	FY 2007
Beginning Balance	\$0	(\$775,000)
Cigarette Tax (net collections on tax above 28 cents/pack)	0	30,652,500
Transfer from the Economic Recovery Reserve Fund (SB 1491, Section 3)	<u>2,000,000</u>	<u>0</u>
Total Revenue	\$2,000,000	\$29,877,500
Expenditures:		
Public Works Operating Budget	\$2,755,000	\$176,100
Idaho Capitol Commission	0	250,800
Legislative Services Office	20,000	1,065,000
Historical Society	<u>0</u>	<u>547,000</u>
Total Expenditures	\$2,775,000	\$2,038,900
Projected Ending Balance	(\$775,000)	\$27,838,600